

## Holme Roberts &amp; Owen LLP

August 16, 2000

**VIA HAND DELIVERY**

Mr. Paul Peronard  
 U. S. Environmental Protection Agency  
 EPR-SA  
 999 - 18th Street, Suite 500  
 Denver, Colorado 80202

Re: Libby, Montana Asbestos Site

Dear Mr. Peronard:

*Kenneth W. Lund*  
 (303)866-0409  
 lundk@hro.com

*Attorneys at Law*  
 1700 Lincoln Street  
 Suite 4100  
 Denver, Colorado  
 80203-4541  
 Tel (303)861-7000  
 Fax (303)866-0200  
 www.hro.com

*Denver*  
*Salt Lake City*  
*Boulder*  
*Colorado Springs*  
*London*

As we discussed at our meeting last week, W. R. Grace has reached an accord with Mel and Judy Burnett, the owners of Millwork West, regarding the inventory and pricing of their equipment and supplies. Because of the general nature of the appraisal commissioned by Grace, we decided to use the cost figures presented by the Burnetts. A copy of the signed agreement and accompanying detailed inventory sheets are enclosed for your information and use. We agreed that certain items were uncleanable and we established mutually agreeable purchase prices. Grace will pay the Burnetts for these items and will in turn dispose of said items in the former Grace Vermiculite Mine.

As described in the July 28, 2000 letter to you from URS, Grace has selected an ideal area of the former mine as the disposal site for debris, known as the "toe of the 12<sup>th</sup> level dump." This is a natural depression with close-by cover material. A minimum amount of hauling will be involved with the eventual capping of the accumulated debris and soil. The location is situated to avoid impact to surface water; and Montana DEQ has stated a preference for using this area.

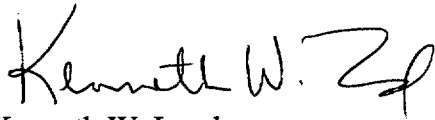
Some of the equipment purchased for disposal is located on the west field of the Export Plant and will be prepared for shipment to the former mine on a priority basis, which will allow for trial running of the hauling trucks, confirmation of an appropriate traffic pattern, and verification of adequate material disposal procedures at the new disposal site. This limited disposal activity will take place concurrently with the cleaning of the Planer building. URS will submit a revised Traffic Control Plan to address the new disposal site locations.

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Mr. Paul Peronard  
U. S. Environmental Protection Agency  
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Please contact Katheryn Coggon at 303/866-0408 if you have any questions about the enclosed documents.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kenneth W. Lund". The signature is stylized with a large, looped "K" and a trailing flourish.

Kenneth W. Lund

KWL:cg

FROM : MR GRACE

FAX NO. : 4062933964

Aug. 08 2000 03:34PM P2

**MILLWORK WEST**

P.O. Box 395  
Lobby, Montana 59923  
(406) 293-3573 or (406) 293-7202

August 8, 2000

Kenneth W. Lund  
1700 Lincoln Street  
Suite 4100  
Denver, CO  
80208

Dear Kenneth W. Lund,

W.R. Grace is conducting a Removal Action on city property where Millwork West currently is a tenant. As part of the Removal Action, Grace's contractor and subcontractor will be cleaning various equipment and property owned by Millwork West. Grace's primary contractor for the Removal Action is URS Radian. URS Radian has subcontracted with AC&S for specific cleaning/decontaminating activities associated with the Millwork West equipment and property.

Millwork West has prepared an itemized list of its equipment, inventory, and other personal property that will be relocated, removed or stored during the Removal Action. This list, which is attached hereto, has a fair market replacement value for each item listed. If any item on the attached list is damaged, destroyed or discarded during the Removal Action, Grace warrants that AC&S will pay to Millwork West the value stated for the item, or replace the item with one that is equivalent to the original.

Millwork West will not be liable for any acts or omissions of Grace, URS Radian, AC&S, or any other entity, or their agents or employees, arising out of the Removal Action on the property.

Regards,

*Mel & Judy Burnett*  
Mel & Judy Burnett  
Millwork West

Agreed to by AC&amp;S

Date:

Agreed to by URS Radian

Date:

Agreed to by Millwork West

Date:

150

## MILLWORK WEST

P.O. Box 395  
Libby, Montana 59923  
(406) 293-3573 or (406) 293-7202

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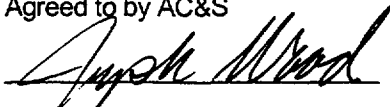
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Regards,



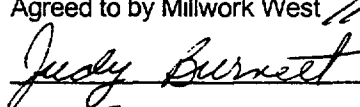
Mel & Judy Burnett  
Millwork West

Agreed to by AC&S



Date: 8-9-00

Agreed to by Millwork West



Date: 8-8-00

Agreed to by W.R. Grace & Co.

Date: \_\_\_\_\_